

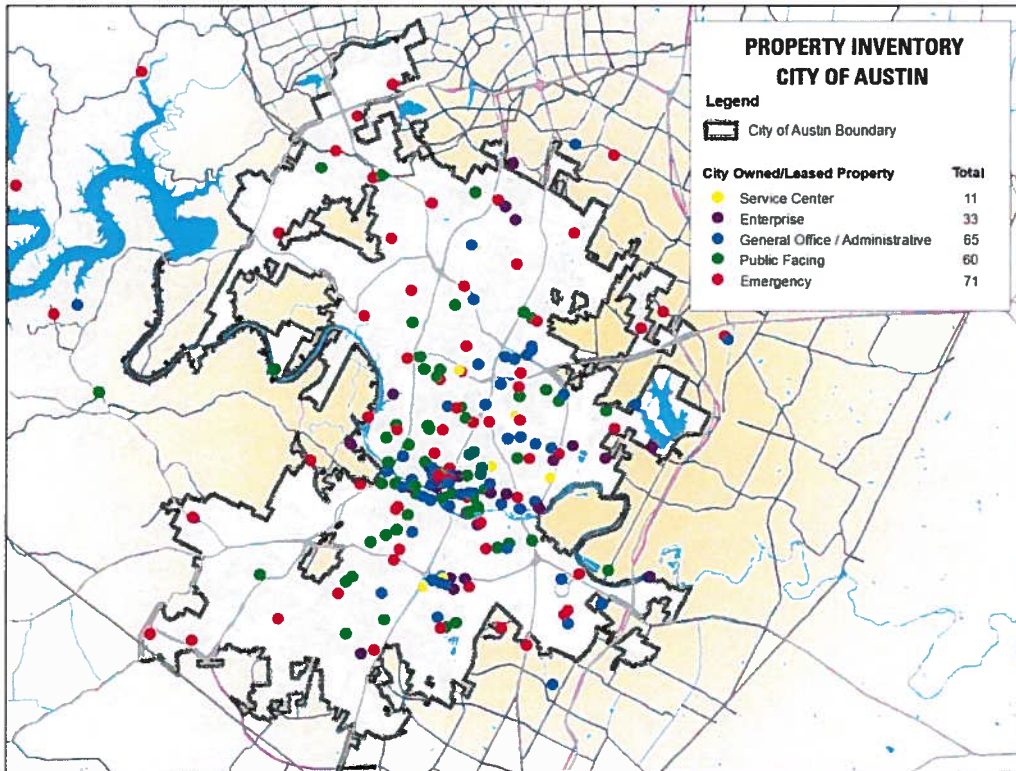
*“Strategic planning is worthless...  
unless first there is a  
strategic vision.”*

- John Naisbitt



**City Council Presentation  
18th October 2012**

# Where we started



RSP i\_SPACE c. 2012

- Ad-hoc facility decisions
- Overcrowded facilities
- Service crews & fleet services alignment not optimal
- Reactive facility maintenance & capital renewal
- No modern facility management software tools

## Outcomes - HIGHLIGHTS

---

- **Detailed Facility Condition Assessments**
- **Logistics Study**
- **Organization Assessment**
- **Integrated Workplace Management System**
- **Intelligent Facility Forecasting**
- **Individual Action Plan for 261 City Facilities**
- **15-year Roadmap**

## Process

---

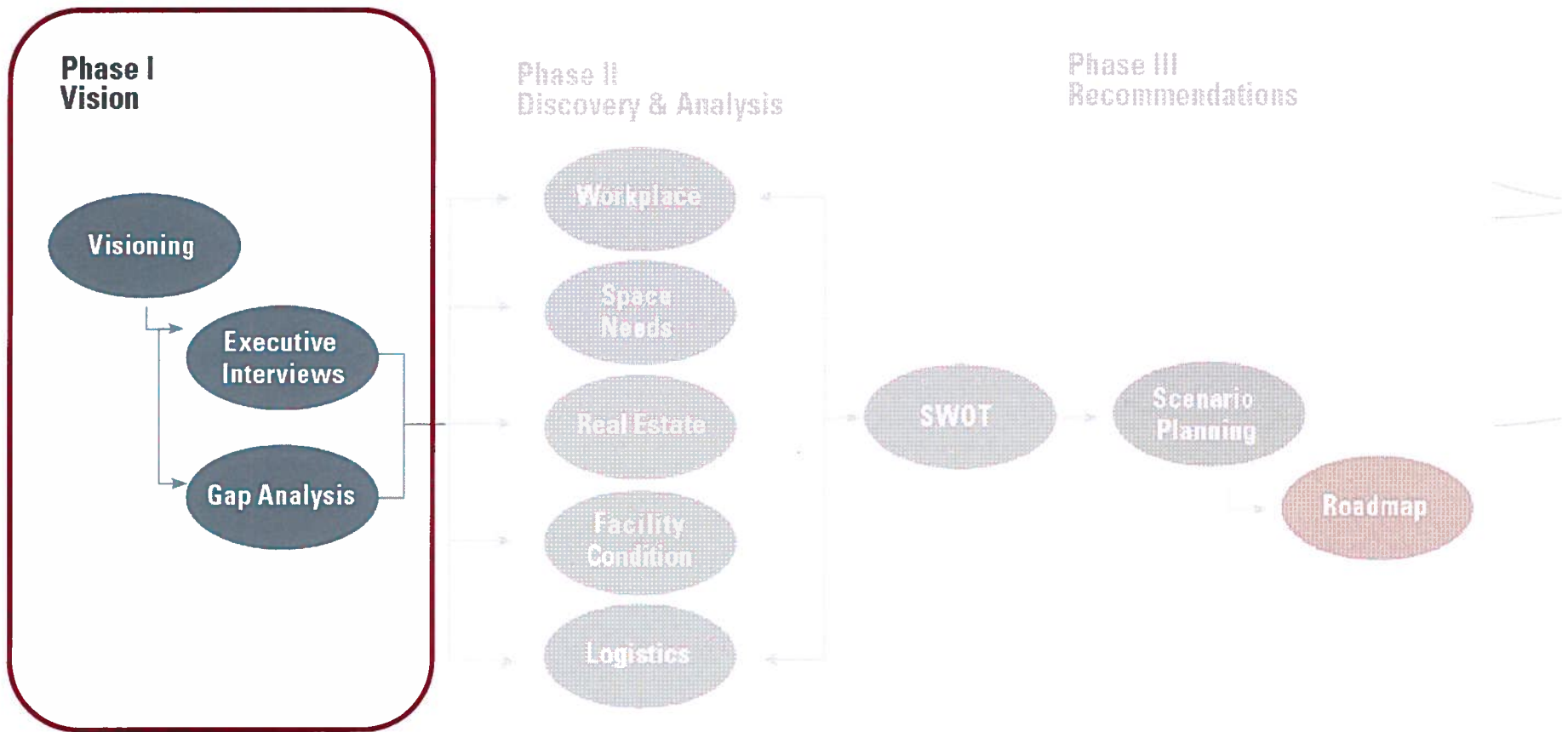
**RSP's CHARGE** – Does the city have **enough space...** of the **right type...** in the **right condition...** and in the **right place** to serve the city for the next 15 years?

**RSP's APPROACH** – A holistic approach of incorporating studies from perspectives of:

- Real Estate
- Operations & Maintenance
- Workplace & Space Needs
- Logistics



# Phase I - Vision



# Phase I - Alignment

## Imagine Austin Vision

- liveable • natural and sustainable • mobile and interconnected • prosperous • value and respects its people • creative • educated

39  
departments

261  
facilities

## Facility Drivers

- adjacencies • alternative workplace strategies • agile/flexible buildings • community partnering • customer ease of use • employee recruitment and retention • lease vs. own • mixed-use development • MWE/MBE opportunities • predictive maintenance • right place at right time • space availability • space costs • student integration • sustainable practices • uptime

## Logistics Drivers

- carbon footprint contribution • commute time and cost • customer response time • emergency responder efficiencies • fuel costs • land value • mobile service efficiencies • recreation accessibility • redevelopment impact • satellite hub offices • static service efficiencies • walkability

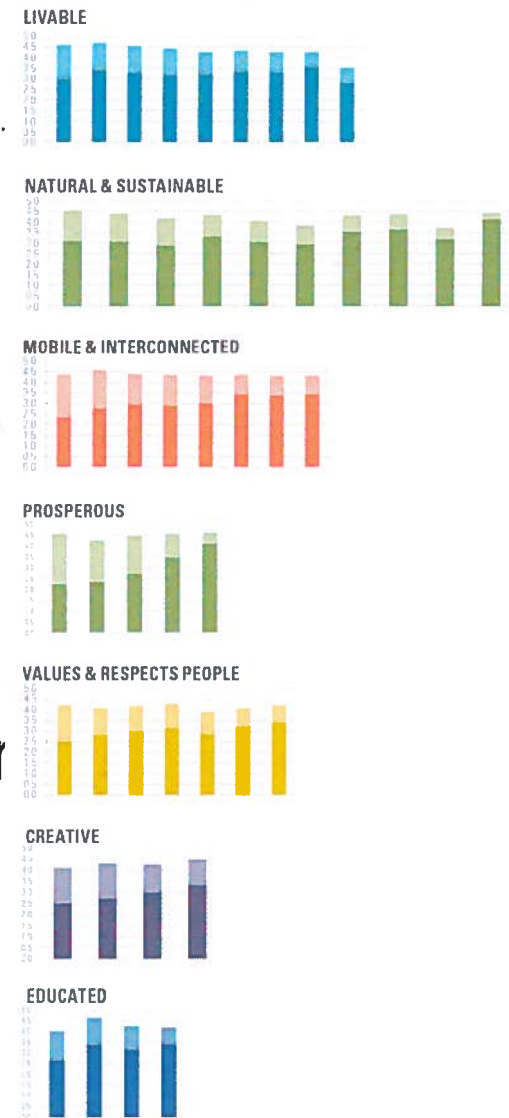
## Phase I – Gap Analysis

### Importance vs. Current Performance

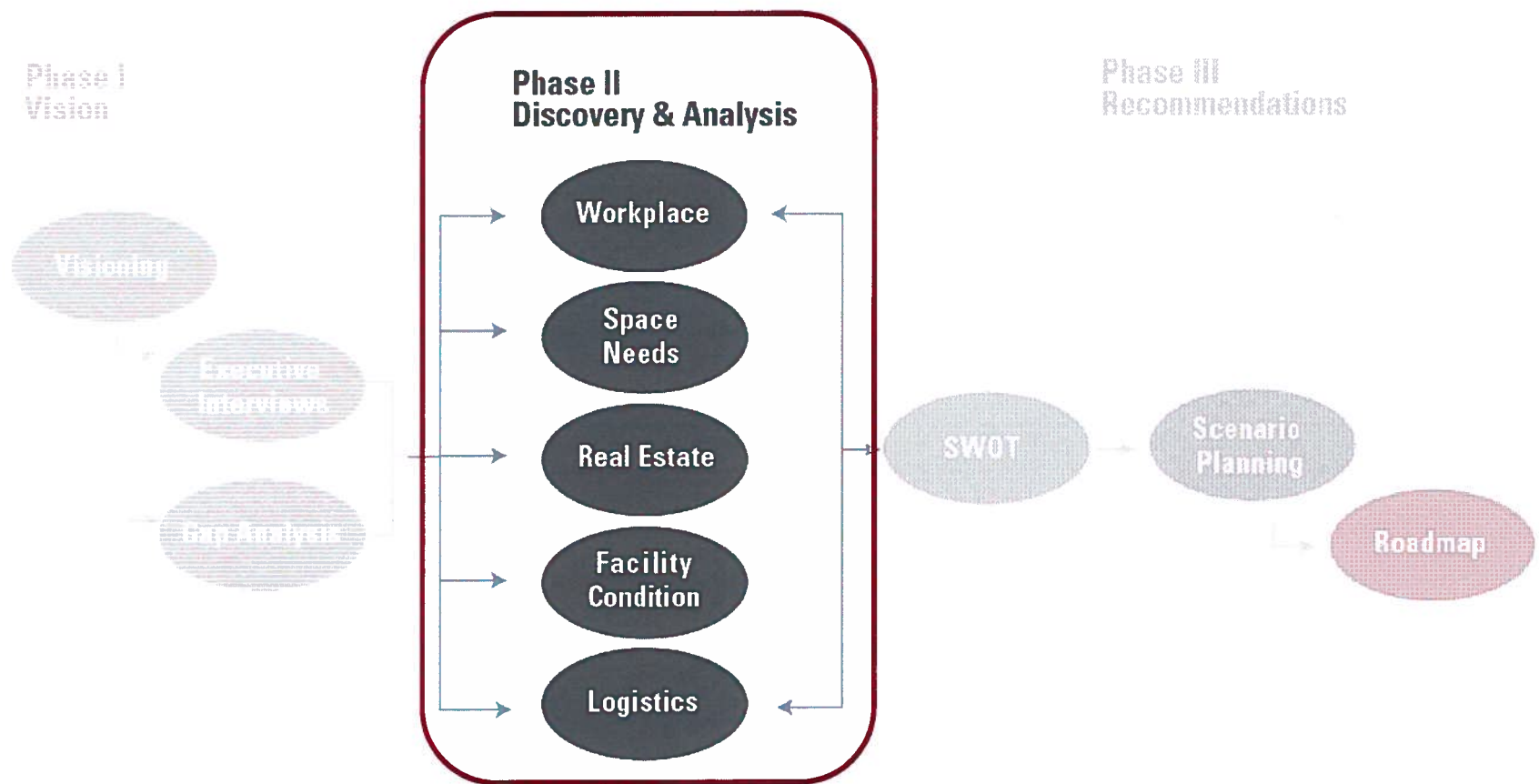
- 47 questions derived from 7 Imagine Austin Vision Statements

### Overall results demonstrate:

- Importance of citywide strategic planning
- Move from silos to networked organization
- Generational shifts imminent



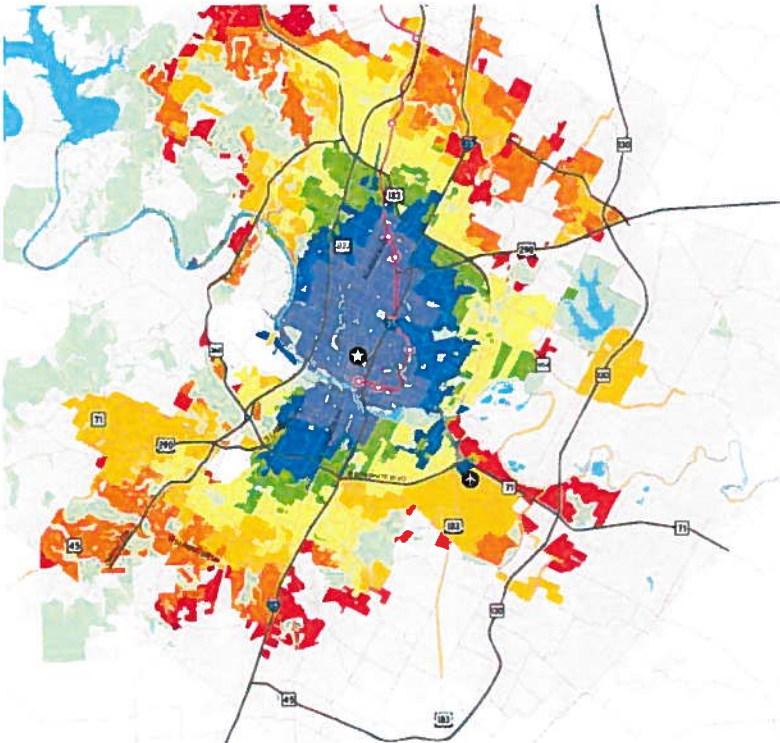
## Phase II – Discovery + Analysis





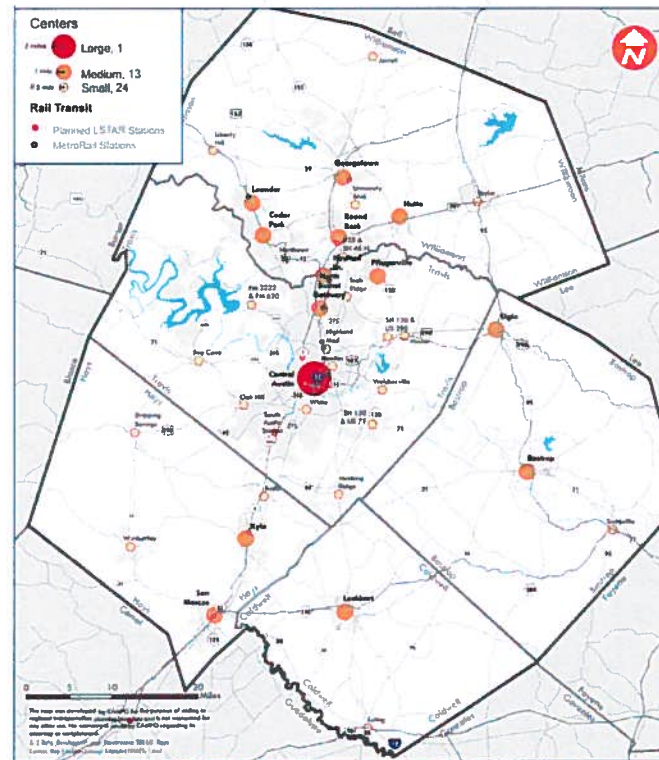
# Phase II – Real Estate Strategy

## Austin's Urbanized Area 1940-2010



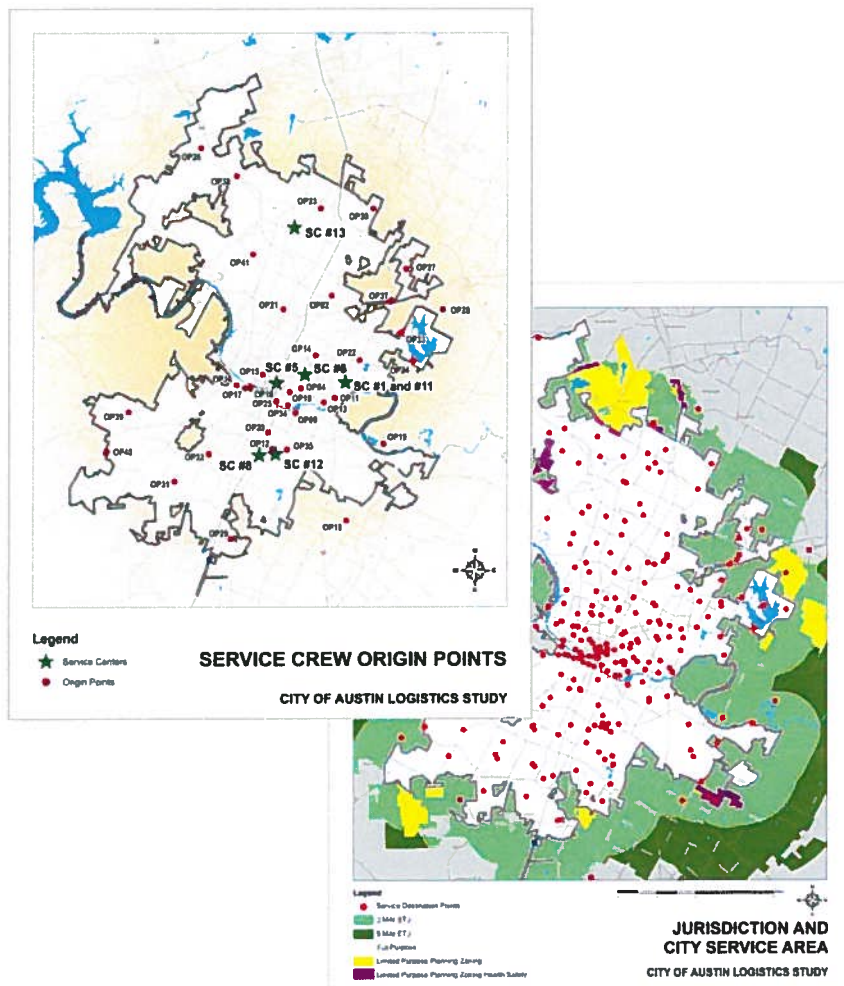
City of Austin Imagine Austin Comprehensive Plan - Austin's Urbanized Area. Accessed at <http://www.ci.austin.tx.us/compplan/compnews.cfm?nwsid=3065>

## Imagine Austin - CAMPO Centers Concept



CAMPO Map 2: Centers Concept. Amended October 10, 2011. Accessed at <http://www.campotexas.org/pdfs/Map%202%20Centers%20Concept%20Amended%2010102011.pdf>

## Phase II – Logistics Strategy



Department	Potential Savings \$
Austin Resource Recovery	1,106,885
Austin Water Utility	754,957
Public Works	318,590
Watershed Protection	170,652
Transportation	97,596
Code Compliance	75,771
Health & Human Services	57,426
Parks & Recreation	49,112
Building Services	0
<b>Total Potential Savings</b>	<b>2,630,990</b>



## Phase II – Workplace + Space Needs Strategy



**23%** projected employee growth within 15 years

**33%** retirement eligible within 10 years

**56%** potential employee turn over

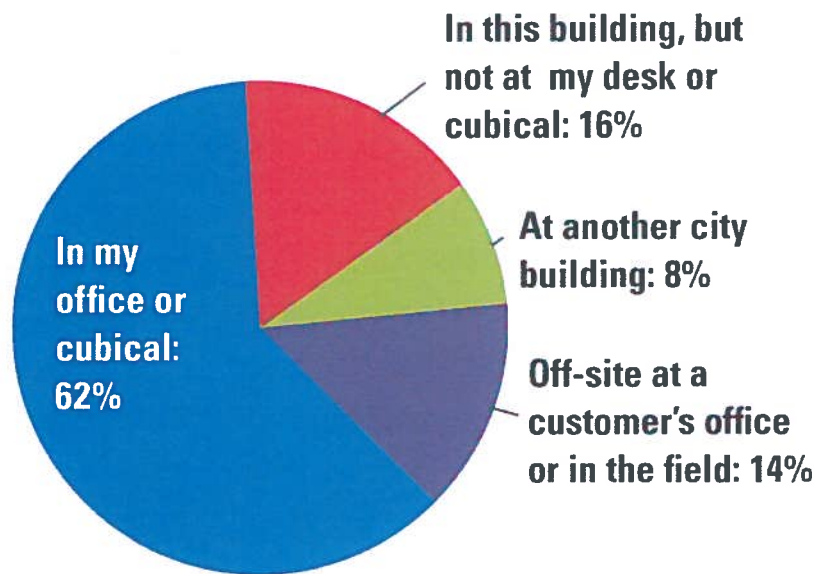
### Looking ahead

- **Recruitment & retention** of employees will be critical
- **Develop new workplace** standards & policy
- **Employee experience, engagement & wellbeing** are key to:
  - Becoming a “best run city”
  - Managing costs
  - Competing in an employee market



## Phase II – Workplace + Space Needs Strategy

### PERCENTAGE OF TIME EMPLOYEES SPEND AT WORKPLACE LOCATIONS



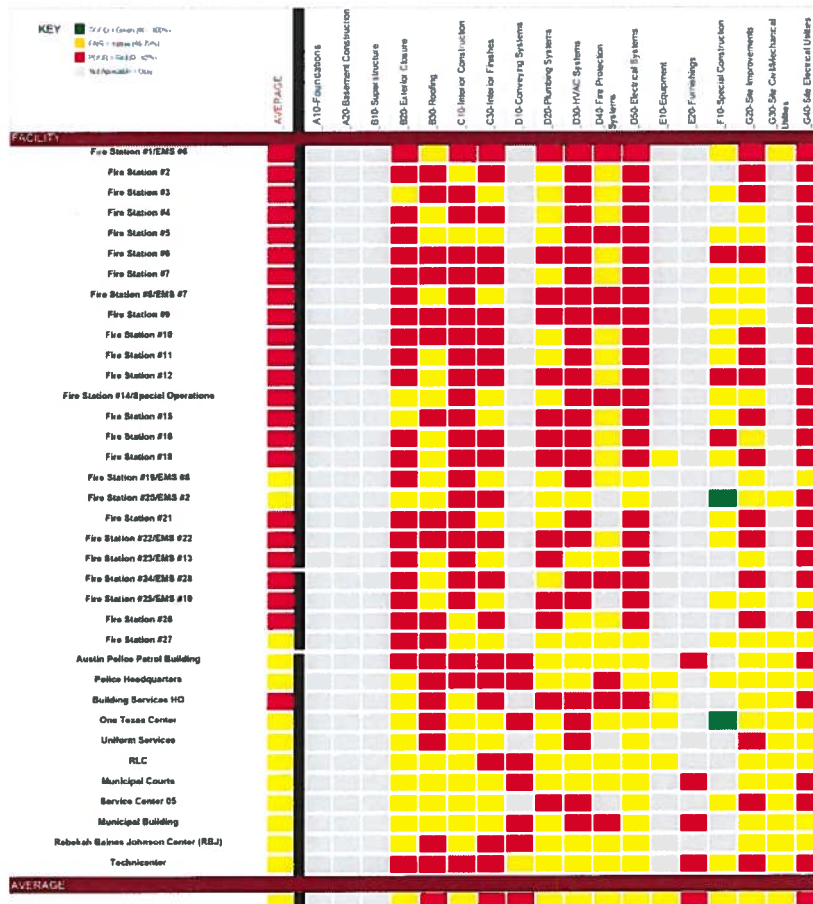
### What we learned

- Staff values & work process shifting
- Generations unified in key motivators:
  - Organization's values
  - Workplace flexibility
  - Personal fulfillment
- Fluid work process, less personal workspace time

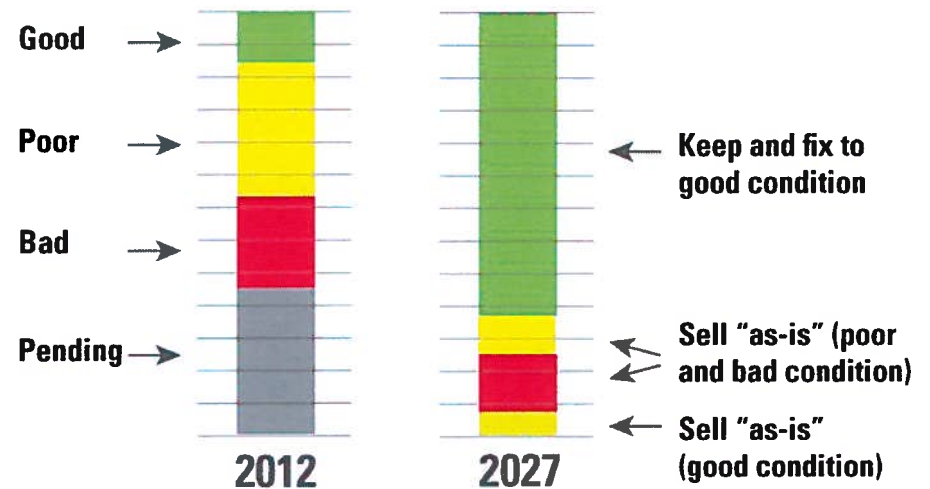


# Phase II – Operations + Maintenance Strategy

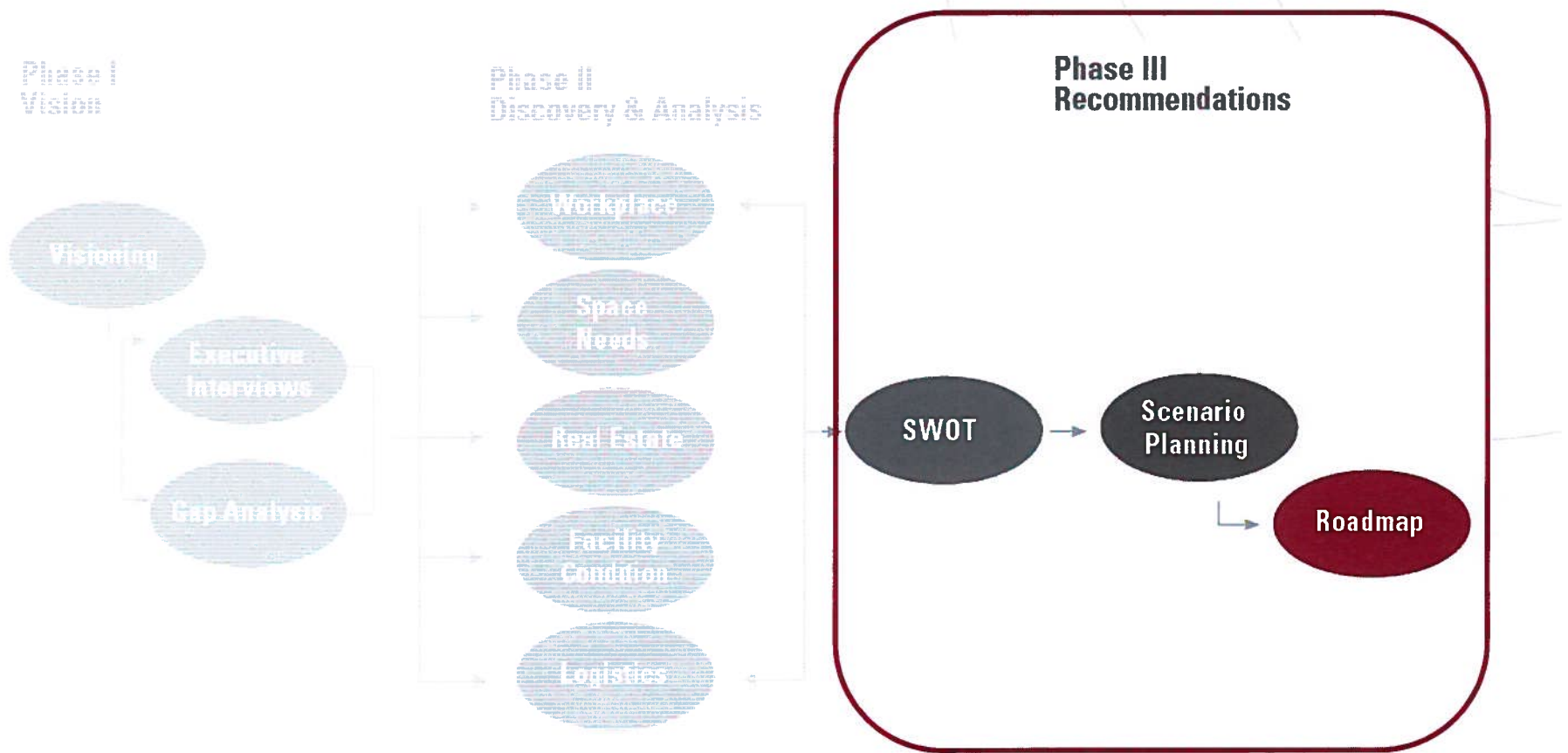
## Condition Assessment of Key Facilities



## City-wide Condition Assessment



# Phase III - Recommendations



# Phase III – Strawman

**SWOT - COMBINED ANALYSIS REPORT** 2/23/2012 10:02:01 PM



**104 ONE TEXAS CENTER**  
505 Barton Spring Rd  
Austin, TX

Building Use: Office Facility  
Primary Department: PARD  
Other Departments:

FM Type: FSD  
Year Built: 1975  
Square Feet: 224,377  
Site Area:

Deferred Maintenance (DM): \$1,145,350  
Capital Renewal (CR): \$0  
Current Replacement Value (CRV): \$43,335,182  
Facility Condition Index (FCI): 0.03%

Strategist: Study Tier\*  
Work Place: 3  
Real Estate: 3  
Operations/Maintenance: 3  
Logistics: 3

\*Study Tiers: 3=Consultant Assessed 1=City Assessed

**Current Parking**  
issue:  
**Pros** (Strengths and Opportunities)  
Good location close to City Hall, easy access in and out, collocation of multiple city departments. Improve departmental mix for higher efficiencies, nicer facility, parking garage, floor plate size. Salamander Captive Breeding Facility is good. Adjacencies work well for Public Works Fire & Inspections staff. The downtown location is preferable for Contract Land Management.

**Cons** (Weaknesses and Threats)  
The amount of storage is negatively impacting the function of the office building, cooling tower HVAC chiller have exceeded useful life, live-load capacity on floors may be exceeded due to congestion, demand for office space. Need to evaluate recent space plans and determine which individual departments need additional space. Site not master planned for current use. Garage difficulty accommodating their storage need and the support spaces required for the bid process.

**Report 3: Details for Each Property+Action Pair**  
Citywide-1 Recommendations for the consolidated City-Wide Strategic Roadmap

**Property: 104 One Texas Center**  
505 Barton Spring Rd

**Planned Action: 07-Remodel-High** Site Group: Individual Property  
**Action Summary:** Major renovation of 224,377 SF including 1450 SF of specialty space. 103 people will exit OTC and 70 people will relocate to OTC for a total headcount of 173. Assume all located with OTC will relocate to swing space to accommodate a phased renovation. Assume new FF&E for all occupants as we remodel floor by floor with new space standards.

**Action Notes:** Better parking strategies (vendor spots, visitor parking, use stairs on roof, employee, and assignments). Consider ramp or other parking expansion opportunities. Move storage off site and relocate visitor to Northwood structure support spaces like printing/painting/letter. Note: Cost per SF for construction of a flexible work environment is typically higher however, cost per seat is lower assuming that majority of staff is moving to unassigned space. Updated elevator systems. Implement flexible work environments up to 30% of building. Bringing the building up to date: work to accommodate more employees and departments, public works: HR to relocate 103 staff. Public Works to consolidate by bringing 28 people from San Gracia. Contract Management to relocate 20 staff from Riverside. Small minority of staff to relocate 31 staff from Telecenter. All other existing departments work along "One Stop Shop" to remain.

Property Summary		Financial Summary	
Date Built	1975	Deferred Maint plus Capital Renewal (\$1,145,350)	
Status	Existing	Facility Condition Index	0.026
Lease/Ten	Owner	<b>Building Elements</b>	
Blg (CSF)	224,377	Sell	\$0
Site (SF)	0	Buy	\$0
Primary Occupier	FSD	Remodel	~\$0 (\$6,731,310)
Use	Office Facility	Build	\$0
Forecast Headcount	1,106	Demolish	\$0
City Region	Core	<b>Building Elements Actions Subtotal</b>	(\$6,731,310)
Assessed By	Consultant	<b>Land Elements</b>	
PCASurveyDate	7/26/2011	Sell	\$0
Current Replacement Value	(\$43,335,182)	Buy	\$0
Current Deferred Maintenance	(\$1,145,350)	Remediate	\$0
Current FCI	0.026	<b>Land Elements Actions Subtotal</b>	\$0
		FF and E	\$250 (\$5,806,500)
		<b>Lump Sum Allowance</b>	\$0
		<b>Lump Sum Notes</b>	

Monday, October 15, 2012 Page 1 of 1

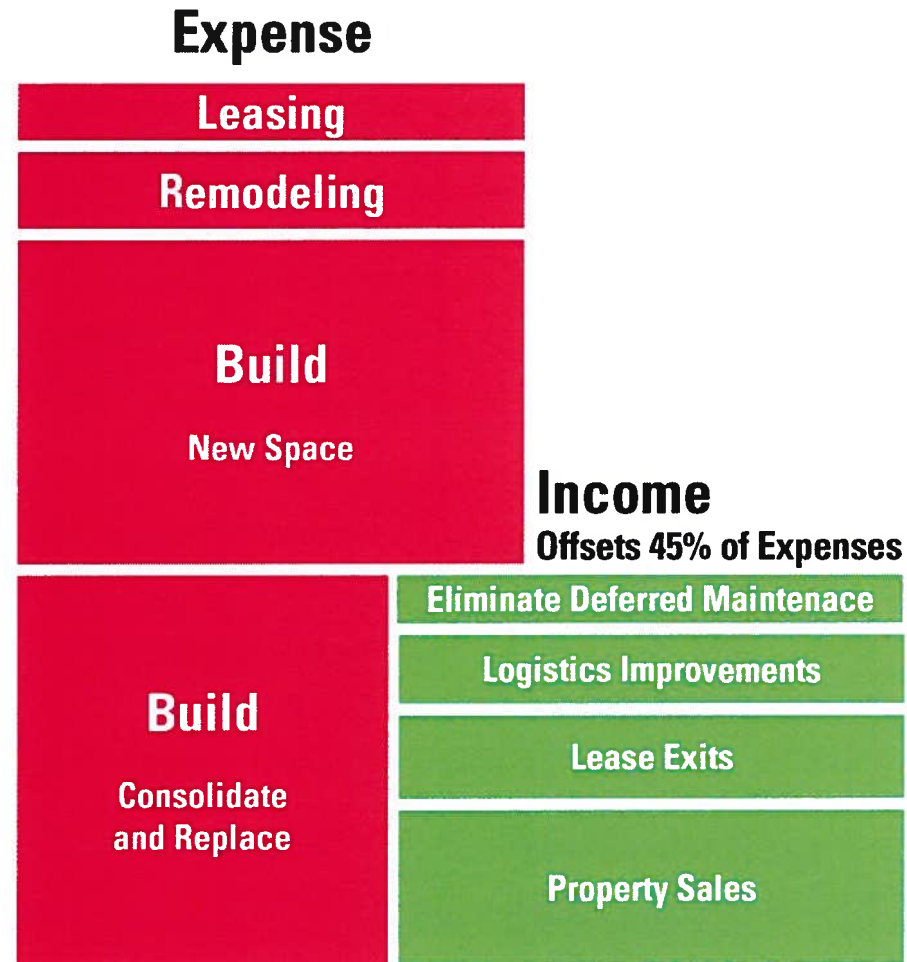
## Based on 7 Scenario Planning Criteria...

- Created action plan for each of the 261 facilities in the study

## Key Objectives:

- Consolidate dispersed & inefficient facilities
- Replace or abandon obsolete facilities
- Align portfolio & service crews with long-term city planning, community priorities & sustainability goals

## Phase III - Physical & Financial Recommendations



### Additional operational opportunities:

- Operate more efficiently
- Consolidated compatible services
- Active workplace management



## Phase III – Tactical Recommendations

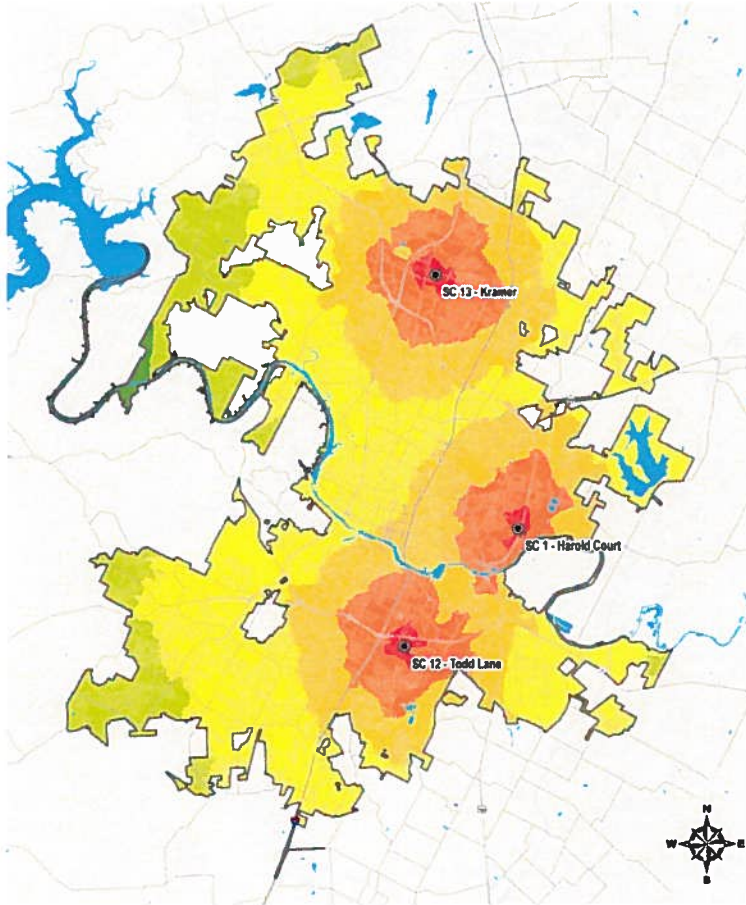
---



### Highlights:

1. **One Texas Center** – Major Renovation
2. **Waller Creek Redevelopment District** - Sell designated City-owned properties
3. New **Public Safety Headquarters**
4. New **City Administrative Campus**
5. New **Fleet Service Campus** and **North Service Center**

## Phase III – Operational Recommendations



### Highlights:

- Consolidate and re-align service centers and service crews
- Realign the real estate and facilities organization
- Centralize the facilities management and maintenance structure
- Implement new workplace standards and mobility program

# Phase III – Tools & Deliverables

Report 3 Details for Each Property+Action Pair	
Citywide-1	Recommendations for the consolidated City-Wide Strategic Roadmap
<b>Property: 104 One Texas Center</b> <b>505 Barton Spring Rd</b>	
<b>Planned Action: 07-Remodel-High</b> <b>Action Narrative:</b> Major renovation of 224,337 SF including 1450 SF of specialty space. 103 people will exit OTC and 79 people will relocate to OTC for a total headcount of 1106. Assume all located within OTC will relocate to swing space to accommodate a phased renovation. Assume new FF&E for all occupants as we remodel floor by floor with new space standards.	<b>Site Group: Individual Property</b>
<b>Action Notes:</b> Better parking strategies (vendor spots, visitor parking, sun-shades on roof, employee, and assignments). Consider ramp or other parking expansion opportunities. Move storage off site and record retention to Rutherford/streamline support spaces like printing/plotting/kitchen. Note: Cost per SF for construction of a flexible work environment is typically higher however, cost per seat is lower assuming that majority of staff is moving to unassigned space. Updated elevator systems. Implement flexible work environments up to 30% of building. Bringing the building up to code, would accommodate more employees and departments, public works. HR to relocate 103 staff. Public Works to consolidate by bringing 28 people from Rio Grande. Contract Management to relocate 20 staff from Riverside. Small Minority Business to relocate 31 staff from Technicenter. All other existing departments including "One Stop Shop" to remain.	
<b>Property Summary</b>	<b>Financial Summary</b>
Date Built: 1975 Status: Existing Lease/Own: Own Bldg (GSF): 224,377 Site (SF): 0 Primary Occupier: PSD Use: Office Facility Forecast Headcount: 1,106 City Region: Core Assessed By: Consultant PCASurveyDate: 7/26/2011 Current Replacement Value: (\$43,335,182) Current Deferred Maintenance: (\$1,145,350) Current FCI: 0.026	Deferred Maint plus Capital Renewal: \$1,145,350 Facility Condition Index: 0.026 <b>Building Elements</b> Sell: 0 \$0 Buy: 0 \$0 Remodel: -30 (\$6,731,310) Build: 0 \$0 Demolish: 0 \$0 <b>Building Element Actions Subtotal: (\$6,731,310)</b> <b>Land Elements</b> Sell: 0 \$0 Buy: 0 \$0 Remediate: 0 \$0 <b>Land Element Actions Subtotal: \$0</b> FF and E: 5250 (\$5,806,500) <b>Lump Sum Allowance: \$0</b>
<b>Lump Sum Notes</b>	
<small>The information contained in this document is proprietary. The information contained is based on hypothetical projections, assumptions and various scenarios. The information contained herein is not a substitute for a thorough due diligence investigation. The City of Austin makes no warranty or representation with respect to the property value, income or expenses for the subject property.</small>	
Monday, October 15, 2012	Page 1 of 1

- Integrated Workplace Management System (IWMS)
- Integrated Facility Forecast database (iFF)
- Strawman Scenario





# The Road Ahead

---

- Implementation of Strategic Facilities & Logistics Roadmap:
  - Develop financial & funding strategies
  - Identify near-term implementable projects to advance the Roadmap
- Tools & technology implementation & support
- Evaluate organizational alignments & efficiencies
- Build key organizational competencies





# The Road Ahead

